

# How One Nebraska Woman Lost Her Health Insurance Three Times Under Obamacare

Melissa Quinn / @MelissaQuinn97 / February 17, 2015

Dec. 26, 2014, was strike three for Pamela Weldin.


The day after Christmas, Weldin, of Minatare, Neb., had logged on to Facebook to find a message from a friend of hers. Included in the note was a link to an article from the Omaha World-Herald announcing that CoOpportunity Health, a nonprofit health insurance company offering plans in Nebraska and Iowa, had been taken over by state regulators.

The insurer, one of 23 Consumer Operated and Oriented Plans, or co-ops, started with the backing of the federal government and received \$145 million in loans from the Centers for Medicare and Medicaid Services. But, CoOpportunity’s expenses and medical claims would far exceed its revenue for 2014.


“Merry Christmas to me,” Weldin, a dental hygienist turned Pampered Chef director, said in an interview with The Daily Signal of when she read the article.

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A month later, Iowa Insurance Commissioner Nick Gerhart announced his intent to liquidate CoOpportunity Health and encouraged those who were covered by the nonprofit to seek insurance elsewhere.



***“I’ve been pulled into the middle of all this through no fault of my own, and there’s nothing fair about it. It is what it is, and you move forward,” said Pamela Weldin, who lost health insurance coverage three times.***



For Weldin, 58, the insurer’s liquidation marked the third time she would lose her health insurance under Obamacare, the third time she would head to HealthCare.gov to shop for coverage, and the third time she would have to purchase a brand new plan.

“I’ve been pulled into the middle of all this through no fault of my own,” she said, “and there’s nothing fair about it. It is what it is, and you move forward.”



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### Obamacare's Co-Ops

Co-ops are no stranger to the insurance market, and lawmakers hoped the nonprofit insurance companies would help infuse competition and choice into markets where there were limited options.

However, the co-ops created under the law would be slightly different from those already in existence—to help the new insurers get off the ground and meet state reserve requirements, the federal government provided \$2 billion in startup and solvency loans.

### >>> One Year After Obamacare's Implementation, Taxpayer-Funded Co-Ops Struggle to Survive

Twenty-three co-ops serving 26 states were ultimately licensed and received federal loans including CoOpportunity.

According to the latest quarterly filings, more than 520,000 people enrolled in insurance coverage through the co-ops through September.

An analysis conducted by The Daily Signal earlier this month, though, found that all but one of the co-ops experienced operating losses through September.

Centers for Medicare and Medicaid Services did not return The Daily Signal's request for comment.





Photo: Paul Hennessy/Polaris/Newscom

### **Strike One**

In the months leading up to the Affordable Care Act's implementation on Oct. 1, 2013, millions of Americans began receiving notices from their health insurance companies informing them their policies had been cancelled.

Weldin was one of them.

The Nebraska woman, who was diagnosed with carpal tunnel syndrome 15 years ago, had purchased catastrophic coverage through Humana after moving from San Diego, Calif., which she kept until 2013—right before Obamacare's implementation.

That year, she received a cancellation notice from the insurance giant. The company had decided to pull out of Nebraska and wouldn't sell plans to Nebraskans through HealthCare.gov, the federal government's health insurance exchange. Eight other insurance companies followed suit.



**Humana Insurance Company**  
**180-Day Notice of Discontinuance of all Individual Major Medical Insurance in**  
**Nebraska**  
**Effective 12/31/2013**

Dear Pamela Weldin:

At Humana, we value the relationships we build with our members and appreciate the trust you have placed with us by enrolling in one of our plans.

Unfortunately, after considerable review, we've determined we won't be able to continue to provide our members in Nebraska with affordable medical plans. As such, Humana will discontinue offering individual major medical insurance plans in Nebraska, effective January 1, 2014.

Your individual major medical plan will end December 31, 2013. If your individual major medical policy/certificate includes the "Supplemental Accident Rider," "Maternity Rider," "Office Visit Copayment Rider," or "Term Life Insurance Rider," the riders will end on this date as well. Until then, all policy/certificate provisions will still apply. Please refer to the "Termination Rights" section of your policy/certificate for events that could cause your plan to terminate sooner.

If you have the following plan(s), they are not affected by the medical product discontinuance and will remain in effect in accordance with your policy/certificate:

(Photo: Pamela Weldin)

By the start of 2014, Weldin would be left without insurance.

Like millions of other Americans who also received cancellation notices, she logged on to HealthCare.gov on Oct. 1, 2013, to browse and purchase new health insurance. But, like millions of other Americans who attempted to sign on to the site, she was a victim of its disastrous launch.

For two months, Weldin attempted to complete her application and was successful by mid-December.

Through CoOpportunity, Weldin purchased a platinum level plan with premiums costing \$307 a month.

#### **>>> Obamacare Co-Ops Cost Taxpayers \$17,000 Per Enrollee**

##### **Strike Two**

Weldin's insurance with CoOpportunity went into effect Jan. 1, 2014, and she had the insurance for most of that year.

Like some consumers, Weldin had issues with the coverage she received through the law. Her original doctor, located seven hours away in Colorado, was no longer in network, and Weldin's plan included services she would never need. At 58 years old, the former dental hygienist had a difficult time understanding why she would need maternity coverage, but it was included in her plan.

Her new platinum plan included a \$2,500 deductible, and Weldin qualified for the tax credits touted by the administration.

Then, in November 2014, CoOpportunity notified Weldin that they would no longer be offering platinum plans.





Mail Stop: 21105  
P.O. Box 1309  
Minneapolis, MN 55440-1309

**Important:** CoOpportunity Health isn't offering your current health coverage for next year in your area through the Marketplace. Unless you take action by December 15, 2014, you will be automatically enrolled in a new plan. Read this letter to learn more and to review your options.

November 2014

Pamela Weldin

Dear Pamela,

Every year, insurance companies can make changes to the plans and coverage options they offer. **CoOpportunity Health won't offer the coverage you currently have in 2014 again in your area through the Marketplace in 2015. We have suggested a new plan for you, but you can review your options and decide what to do.** The last day of your current coverage is December 31, 2014. You should also update your Marketplace application to make sure you are getting the right amount of financial assistance.

**Your suggested new plan**

Even though your current coverage isn't being offered in your area through the Marketplace next year, we have found another plan you may like. **You will automatically be enrolled in CoOpportunity Premier Gold to make sure there isn't a gap in your coverage. You can enroll in a different plan anytime between November 15, 2014 and February 15, 2015. If you want coverage to start January 1, make sure you enroll by December 15, 2014.**

Please review your new premium and benefits below to see if this plan meets your needs. If it doesn't, keep reading to learn about your other options.

(Photo: Pamela Weldin)

For the second time, Weldin "muddled through" HealthCare.gov to purchase a new health insurance plan. Again, she encountered issues with the website and had to wait until December before securing coverage with CoOpportunity. Weldin ultimately selected a silver-level plan for \$165 a month.

"Here you are, trying to do the right thing, trying to be responsible and have coverage and be diligent," she said. "And still, I have all these problems and glitches and everything."





Photo: Polaris/Newscom

### Strike Three

It wasn't long after purchasing her new insurance with the co-op that Weldin learned CoOpportunity was in financial trouble.

One day after Christmas, she read that Iowa state regulators had taken over the nonprofit insurance company, and officials warned it could go under.

CoOpportunity originally expected just 12,000 consumers to purchase coverage through the nonprofit. They ended up enrolling 120,000, many of whom were sicker and had costly health issues.

As a result, CoOpportunity's expenses and medical claims exceeded their revenue from monthly premiums, which were priced too low.

The state asked the Centers for Medicare and Medicaid Services for additional money, but the agency denied its request.

"You had a perfect storm happen here," Gerhart said.

For Weldin, the new year brought grim news. She learned that CoOpportunity would be liquidated. She would be out of health insurance yet again.



Subject: January 23 Member News: Urgent: CoOpportunity Health is Going Out-of-Business; Enroll Now in Other Health Insurance Coverage  
From: [news@coOpportunityhealth.com](mailto:news@coOpportunityhealth.com)  
To: [REDACTED]  
Date: Fri, 23 Jan 2015 18:58:31 +0000

If you're having trouble viewing this email, you may [see it online](#).

## MemberNews



January 23, 2015

### Urgent: CoOpportunity Health is Going Out-of-Business; Enroll Now in Other Health Insurance Coverage

Please carefully read this information about the future of CoOpportunity Health and your health insurance coverage.

The Iowa Insurance Commissioner has determined that efforts to rehabilitate CoOpportunity Health have been unsuccessful, and he plans to ask the court to place the company into liquidation. This means the company is going out-of-business, and your health insurance coverage will be affected.

**Tax credits and other subsidies for insurance premiums will end on CoOpportunity Health policies when the company is put into liquidation.**

**Open Enrollment Continues Through Sunday, February 15 on HealthCare.gov**

Open enrollment on the HealthCare.gov Marketplace continues through Sunday, February 15. **The Iowa Insurance Division and Nebraska Department of Insurance strongly encourage you to enroll in another health plan by Sunday, February 15 so you may continue to receive any premium subsidies you are eligible for.**

It is also important to remember your annual deductible and out-of-pocket maximum in 2015 may not carry over to a new carrier. The sooner you move your coverage to another insurer, the less out-of-pocket costs you will incur under your CoOpportunity Health coverage.

(Photo: Pamela Weldin)

“The CoOpportunity people were helpful and wonderful,” Weldin said. “They answered questions. I really didn’t end up dealing with people who were adversarial or contentious. They sincerely wanted to help people and give out new information, and now they’re going to be unemployed.”

Gerhart told The Daily Signal the state acted quickly in notifying consumers about CoOpportunity’s liquidation to ensure no one would have a lapse in coverage. So far, more than 80,000 have moved to other plans.

“They faced a crisis, and their claims were eating up all the surplus and reserve [money],” he said. “It was an unfortunate situation, but we had to step in.”

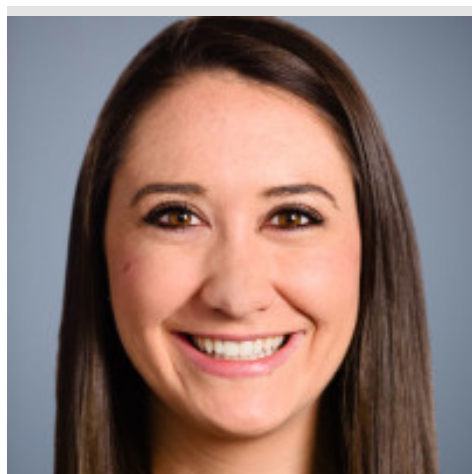
For the third time in less than two years, Weldin had lost her health insurance. And for the third time, she went to HealthCare.gov to select a new plan from a new company.

Now, Weldin has health insurance through Blue Cross Blue Shield. The “silver lining,” she said, is that Weldin is able to see her original doctor and nurse practitioner in Colorado. But the cost of her monthly premiums increased to \$235.

“We have a president who said, If you like your plan, you can keep it. If you like your doctor, you can keep it. You will have choices,” Weldin said. “All three things were an outright lie.”

#### >>> How This New Regulation Will Drive Up Your Health Care Costs

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@MelissaQuinn97

# Melissa Quinn

Melissa Quinn is a senior news reporter for The Daily Signal. Send an email to Melissa.